MAYOR FRANK SCOTTO'S 2014 STATE OF THE CITY ADDRESS

Frank Scotto was elected to his first term on the Torrance City Council in 2000 and garnered the mayoral seat in 2006. Now serving his second term, Mayor Scotto serves as the voting delegate to the following organizations: Southern California Association of Governments (SCAG), and the Los Angeles County Sanitation District and as chair

of both State and Federal 2010 Ad Hoc Legislative Advocacy Committees.

Mayor Scotto is a military veteran, a local business owner, and an active member in Lomita-Torrance Airport Rotary Club, having actively participated in this club for over 25 years. For over 30 years Scotto was also active in the American Youth Soccer Association serving as a coach, referee, board member and Regional Commissioner.

A native Californian, born in Riverside in 1948, Frank Scotto has lived in Torrance for over 57 years.

Good evening everyone! On behalf of the City of Torrance and the Torrance City Council, thank you for joining me today. Before I get started, I would like to thank my colleagues on Torrance City Council for their ongoing support. Of course, our City Manager LeRoy J. Jackson, our Assistant City Manager, Mary Giordano and City Staff. Those who helped me prepare for today, Michael Smith, Jin Chun, and Jamie Le. And lastly, I would like to thank my wife Cindy Scotto for her unconditional support, especially during these past 8 years. Thank you.

As I mentioned earlier, I can't believe I'm standing here giving my final State of the City Address. So much has happened during my two terms. In just these past few days I've talked to more reporters than I have in the past 8 years... and don't worry, I will touch on the Toyota Relocation later on in my speech.

Even before I became a Torrance City Councilmember I would have never have guessed that I would have the honor to serve my community in such a vital role. So when given the opportunity, I knew had had big expectations and challenges to meet.

To quote Athlete Yogi Berra, "If you don't know where you are going, you'll end up someplace else..."

There were many things that I hoped to accomplish but I knew... with the help of our staff, community, and business partners we could achieve anything.

One of the initial steps was to encourage public participation and involvement. We changed the format of our council meetings and now have thirty minutes at the beginning of the meeting so residents can speak on non-agenda items. The community no longer has to wait until the end of the meeting to be heard. By making this one small change, we have fostered more dialogue, which has provided us with greater insight into your needs, and has given us the opportunity to help address your concerns.

Next, we wanted to bring meetings closer to YOU. We've held city council meetings outside of the Council Chambers to reach out to those who do not usually make it to City Hall. So far, we've had council meetings at North Torrance High School Library, Dee Hardison Sports Center, and South Torrance High School Gymnasium. The "Council on the Road" meetings have been well attended, and we have seen new faces in attendance.

The City focus has not only been on our adults, I'm proud to say we have challenged our youth by introducing the Students & Government Day Program. This program began with the goal of providing an opportunity for our 8th grade students to be exposed to the vital role of local government and to help them consider careers in public service. As we tell the students, this is a once-in-a-lifetime opportunity for them to see City Government at Work. Next week will mark our 8th year of Students & Government Day. It has been a pleasure for all of us to interact with this great group of kids.

Recently, while I was at the mall with my wife, I ran into the mother of our very first student Mayor. I was pleased to hear that he has moved on to great things, Ivy League School, and aspirations in the field of Law. I would encourage the future Mayor and Council to continue this program because I have seen firsthand what a positive impact it has made on the students of Torrance.

Since taking office, we have expanded our relationships with those who are already involved in our community. For those who have the desire to become more involved, the Commissioner Certification Training Program was developed. Our first two sessions were held fall 2007 with a total of 119 participants who received a certificate that's valid for two years. Currently, we are certifying approximately 180 participants in a two year span. This number includes both new certifications and participants recertifying after their two years have expired. This proved my belief that people in Torrance want to be involved... they want to serve the community.

In running my campaign, my personal promise to all of you was to keep the public's trust, and I hope I've done just that. To create more transparency at our council meetings, we installed an automated voting system. This streamlines the council meetings and eliminates the perception of gamesmanship created through the roll call voting order we previously used. It has also allowed us to post our meetings live on our website in addition to providing paperless agendas and minutes. You can know also view an archive of all of our meetings at home, work, on your desktop, and mobile devices.

In 2008, we adopted the strategic plan, our statement on where we want to be in the future, how we're going to get there and identifying the people responsible in helping achieve our goals. The committee also believed that the establishment of the Strategic Plan would help inspire Torrance residents to strive to do the best that can be done, both as individuals and as members of the Torrance community. Since its adoption, the City of Torrance has been working on implementing aspects of the Strategic Plan and we are looking at an update in the very near future.

The Blue Ribbon Ethics Committee was formed to develop an ethics code of conduct and policy statement for the City of Torrance. In the future this will help ensure that the community is served by the people who abide by standards of integrity. The Torrance Blue Ribbon Committee on Ethics and Integrity was appointed by City Council in 2006 and was assigned the task of developing recommendations to establish a sustainable ethics program for the City.

In 2011, City Council created the Torrance Election and Candidates Ethics Committee and charged the Committee with producing materials to support ethical conduct of candidates in their campaigns for elective office. The Committee developed, and City Council adopted, a candidate's ethics policy statement, ethical guidelines for clarifying roles when running for office, and a voluntary training program for candidates.

In addition to ethics and transparency, we've grown our interactive media and resources. The establishment of eNotify, the Torrance online Events Calendar, our weekly eNewsletter, and our always growing social media including Facebook, Twitter, and YouTube to name a few, have helped us stay in touch with you, on your time, at home, school, or even the workplace. One of the most exciting projects to develop this year in our very own CitiCABLE Studio... Our LIVE news broadcast and blog, NEWSBREAK LIVE! Now every Tuesday night, we are bringing our community via Cable and Web stream a brand new show featuring news trending in Torrance, providing viewers everything they need to know that's happening in their community, from Torrance schools to businesses, to public safety, in addition to health concerns and even events happening in town.

Along my journey, we also set out to revitalize the downtown area. City staff also continues to meet with local businesses and residents in the downtown area to gain consensus and find creative ways to make downtown Torrance a viable place for businesses. We've installed L.E.D. lights, and with the help of the community established the Downtown Marketplace. The Downtown Farmers Market continues to be successful with residents and more vendors are participating.

I owe so much to the residents and businesses for the successes we've achieved during my 8 years as your Mayor.

In the book "Walden" by Henry David Thoreau, he reflects on the social discoveries of society that he made through personal introspective. He says, "What you get by achieving your goals is not as important as what you become by achieving your goals."

And that is how I feel about our City. As we've made HUGE strides in Torrance, we've evolved into an even more resilient, innovative, active, and philanthropic community...one that we all are proud to be a part of.

Our history of being fiscally prudent along with our economic master plan has enabled Torrance to survive the economic down turn and stand strong today. Unemployment rates have dropped since last year. The most recent comparable numbers from March 2014 show that Torrance, at an unemployment rate of 4.3%, continues to hold its own as compared to the County which is at 8.7%, the State at 8.1% and the Nation at 6.7%. Employment continues to have a slow recovery elsewhere, but every region in California saw job growth this last year.

Projects such as the new Ferrari dealership, Mazda dealership, Audi Dealership, Torrance Memorial Hospital, Wendy's, The Del Amo Fashion Center and others will generate significant construction related tax revenues for the City this Fiscal Year. In 2013, an average of 540 newly licensed businesses opened in Torrance every three months. News for retail sales are positive, as national retail sales grew approximately 3.8% year over year. We are cautiously optimistic that the economy will continue on a slow and steady increase. We will be having out first budget workshop/public hearing on May 13th at 7 p.m. and welcome you all to attend.

Torrance would not be who we are today without the help of our community partners. In the past 8 years Torrance Unified School District (TUSD) has remained the cornerstone of excellent education. Even during the economic downturn, TUSD students have continued to excel and the District as a whole has continued to succeed, year after year. Torrance students are constantly being recognized for accomplishments in academics, athletics, as well as enrichment programs (such as service learning and environmental efforts). TUSD schools are the recipient of both state accolades as California Distinguished Schools and national achievement as Blue Ribbon Schools. Student success is fostered through exceptional educators and our teachers are recognized both nationally and by their peers including awards and recognitions from the National Board, Albert Einstein Distinguished Educator Fellow through the National Science Foundation, California Association of Teachers of English and the NCTE Classroom Excellence Award. And the nurturing of our community doesn't stop there.

The City of Torrance recognizes quality and compassionate healthcare because our great hospitals and medical facilities set such high standards.

Providence Little Company of Mary Medical Center Torrance has continued to play a vital part in our community. From 2013 until now, they have delivered over three thousand, three hundred and fifty babies and have treated over ninety-four thousand people in the ER.

Celebrating their 3-peat success, Providence Little Company of Mary Medical Center Torrance was named one of the nation's 100 Top Hospitals by Truven Health Analytics in its annual study aimed at improving the cost and quality of health care for the third year in a row! In addition, they have achieved The Leapfrog Group's "A" rating for patient safety, and the Healthgrades' Distinguished Hospitals Award for Clinical Excellence!

Most recently, to aid in their great medical care, Providence Little Company of Mary has set out to give its patients a hotel-like experience. Last month, they unveiled new patient cuisine and room service for all patients, with meal selections designed to appeal to every palate and dietary specification — vegans, diabetics, dairy-free and more.

Providing options to our community has always been important to Torrance. It seems like just yesterday it was March 2011 and Torrance Memorial Medical Center broke ground on what will soon serve as its new seven-story Lundquist Tower on Lomita Boulevard. 2014 promises to be a big year. Stay tuned in September when the entire community will be invited to tour this state-of-the art facility, which will open in November. Of course it would not have come to fruition without the generous donations of many—most notably a 50 million dollar gift from Melanie and Richard Lundquist. The medical center also recently received one of U.S. News and World Report's highest health care honors.

Torrance Memorial continues to serve its non-profit mission. This includes providing more than 60 million dollars in services and subsidies to the people of the South Bay. A short list of these programs and partnerships include Kids 'N Fitness, which tackles children's wellness; Healthy Ever After,

which provides free nutritional education in elementary schools; and Harbor Interfaith Service, which assists the homeless and working poor.

To manage the growing health care needs in our community, late last year, the medical center expanded its reach with the introduction of Torrance Memorial Health System. The name change of the medical center's governing body stems from recognition of its growth, an understanding of the changing health care landscape, and a desire to remain a locally-based organization that continues to meet the need of this community for the next 90 years.

In addition to our great healthcare providers, the City has been able to provide a diverse number of programs and services to the community. I have to commend our dedicated City Employees, and of course our great City Manager, LeRoy Jackson for his support, guidance and leadership. In addition, Mary Giordano, Assistant City Manager and all of our Executive Staff who have helped us accomplish more with less. Even with the economic downturn, we have been able to achieve major projects including the Del Amo Boulevard Extension, The Residential Slurry Seal Program, and various intersection enhancements. Our Staff continues to be resourceful and provides our community with the tools that improve our quality of life.

The Torrance Fire Department has made tremendous strides over the past 8 years. One of the high priorities for our citizens is public safety and one of the components of the puzzle is paramedic services. In the past 8 years the fire department has added an additional Paramedic rescue, R-95, which increased our paramedic units to five. Also with this addition we were able to assign a paramedic to every fire engine, which means that every time a fire engine is dispatched to an incident we are providing Advance Life Support services from a licensed paramedic. During this period the fire department celebrated its 100th year anniversary, by once again attaining the status of an ISO Class 1 Fire Department. This level of fire protection has proven to keep fire loss to a minimum while saving the equivalent of 95% of the average structure's value from damage.

Notable achievements? The department in partnership with Community Development and Public Works successfully implemented a NPDES (National Pollutant Discharge Elimination System) inspection program. The goal of this program is to provide positive education and outreach for our customers as it prevents pollutants from entering the storm drain. Last year we successfully completed 100% of these inspections.

Hand in hand with our great Fire Department, The Police Department has continued to implement its Focus Based Policing philosophy throughout the year as the Department focused its attention on problem solving, community partnership and crime prevention strategies.

Working in their new state of the art Forensics Lab, our Forensic Investigators have also been busy as their work in 2013 led them to recovering over 500 fingerprint lifts from crime scenes which resulted in 116 suspects being identified.

Overall, Torrance police detectives successfully cleared 83 % of all violent crimes reported in 2013. This number continues to be well above the state and county average. Detectives successfully cleared 49% of all crimes reported to the police which simply means suspects are being located, arrested and brought to justice.

This type of success could not have been achieved without the help of our community. Everyone has been actively engaged in public safety and willing to report suspicious activity to our police department. "SEE SOMETHING----SAY SOMETHING"

The Police Department's Gang Enforcement Team continues its proactive police work in the South Bay Task Force as they relentlessly monitor and conduct checks on our residents who have been found guilty of a crime, but qualify under Assembly Bill 109 for Post Release Community Supervision (PRCS).

The most recent update in our Police Department is the appointment of Mark Matsuda as its new Police Chief. Mark has distinguished himself in a variety of command level positions including patrol, personnel and special operations. He is actively engaged both in front and behind the scenes in providing the highest standards and optimum public service. His excellent interpersonal skills will enhance his ability to provide solid, reliable leadership to the department and be a significant asset to the community. The Leadership in our Police Department has really set us up for success. Torrance

ranked #14 on FBI list of Safest Cities with population over one hundred thousand. And I'm sure, largely in part because of our high levels of Safety and Security, Livability.com has ranked us #33 in top 100 places to live in the nation.

2013 was a big year for Economic Development, with the office partnering closely with the Los Angeles County Economic Development Corporation, Pacific Gateway Workforce Investment Network, El Camino College Business Training Center, California Manufacturing Technology Consultants and the Torrance Area Chamber of Commerce, to name a few. The Office focused on the "Discover Torrance Tourism Business Improvement District" initiative to bring visitors-and their wallets- to our hotels and shops. The South Bay Entrepreneurial Center opened to help new businesses and business models. The focus has been on establishing Torrance as a "green" City and an alternative fuel hub of the South Bay and Greater LA County. We are also working closely with the auto dealers of the City toward establishing a Torrance Auto Dealers Association.

The Office of Economic Development is also working hard to focus on new industries and form new partnerships and attract exciting businesses and city-wide events, but priority remains with the existing Torrance businesses. The team offers assistance in site selection for businesses looking to move and expand, financing assistance, access to resources and tools through our partnerships with other organizations, assistance in permit expediting, on the job training wage subsidies and recovery, and business solutions such as signage, marketing and grant writing. Please consider the Office of Economic Development as the City's liaison to the business community — our staff is here to help you start and grow your business here at the City of Torrance!

Our long-time partner, Simon Property Group, is well on their way with a comprehensive redevelopment of the Del Amo Fashion Center.

Over the past year, Simon replaced the existing food court with an upgraded garden-inspired dining experience called Patio Cafes. It's a beautiful area and a good example of what's to come.

The next phase of the transformation will replace and expand the original north mall that was built in the 1960's. Demolition has already begun and the rebuilt north area of the Del Amo Fashion Center, including our new Nordstrom store, will be open by holiday 2015.

I couldn't be more pleased with the progress.

Torrance Transit continues its mission to "provide safe, reliable, inexpensive and courteous service to our customers—the people who live, work and do business in the City of Torrance." On October 25, 2012 we Officially Kick-Off the High Occupancy Toll (HOT) Express Lanes Project and the Line 3 Rapid Bus Service with Los Angeles County Metropolitan Transportation Authority's (LACMTA) and the Bus Riders Union .

We also continue to move forward with the Torrance Transit Park and Ride Regional Transit Terminal. This project will interface with the Regional Rapid Service and existing light rail. It is envisioned to have level boarding platforms for transit vehicles, state-of-the-art passenger information kiosks and maps, parking spaces for Rideshare Van/Carpool participants and enhanced shelters, fare vending machines and public restrooms. Construction is anticipated to start this summer.

On other means of transportation, we are extremely proud and honored to have Clean Air Technology Advancements develop in our City. With General Motors Advanced Technology Center where the Chevy Volt research is conducted, Landi Renzo USA and Honda headquarters here too, we have found ourselves in the midst of emerging green technologies. In 2012 we received our very own set of "green wheels" from American Honda. In a unique partnership with their Fit EV Research Program, the City of Torrance along with Google and Stanford University, provided feedback about the "all electric vehicle." Our particular study of the Honda Fit EV included the charging infrastructure development. It excites me to see our business community participating in sustainable energy strategies.

Regrettably this week, we had to address the unfortunate and disappointing news that Toyota Motor Sales USA would be leaving Torrance to consolidate their operations in Plano, Texas. When Toyota built its current headquarters in Torrance in 1982, the City made every effort to welcome their

expansion. As the campus grew, so did our proactive and supportive relationship with Toyota. Torrance's business friendly environment of expediting permits, close relationships with management, and maintaining a safe and secure community has allowed Toyota to expand its campus and improve delivery of its product throughout the United States.

Toyota will always have a place in Torrance. In fact, In March we dedicated the 6.2 acre state-of-the-art Toyota Sports Complex. Within Torrance we have more than 15,000 Torrance youth currently using our city parks for sports practices and games. It is anticipated that the current demand for sports field usage will continue to increase in the future. It was crucial that this facility be developed to meet the future sporting needs of our citizens. I can honestly say that this has been one of the most fulfilling projects I have personally been a part of during my term as your Mayor.

With the final departure of Toyota in 2017, we will welcome any new businesses that wish to expand and call Torrance home. We understand that the relocation may affect our smaller businesses. With the loss of Toyota's 3,000 employees our businesses may feel an impact in lunch sales, hotel stays, retail purchases.

However, this is not new to Torrance. As a young city, Torrance experienced the change of Union Tool Company in 1920, after 9 years in Torrance. Union Tool Company employed 500 people, then sold to Armco's National Supply, making National the world's largest manufacturer of oil well equipment. The following year, when oil was discovered in Torrance, the payroll climbed to 1,100 employees. After 75 years of manufacturing oil drilling equipment and industrial steel products at Western Avenue and Carson Street, the final chapter of the heavy manufacturing industry in Torrance ended when Armco closed its doors in 1985.

The vacant property caused some concern, and the City was hopeful about new developments possibly leading to an industrial park with businesses that emit little or no noise, smoke, or fumes. Today, the western third of the property houses the headquarters for Sunrider International and the eastern portion, a shopping center and office complex including the Miyako Hotel and Mitsuwa Market.

We are resilient and we are proactive. I can guarantee that we are already hard at work exploring what is in store for us in this next chapter. We have already received several inquiries about the Toyota Property as well as other available space in Torrance. An aerospace company, a restaurant supply company are some of the interested parties. We accept the challenge of growing new opportunities to new corporations.

A new wave of business our City has been embarking upon... Craft Beers! Named Best Beer City -2013 by LA Weekly, many microbreweries have recently opened up shop in Torrance, joining 13 year old Red Car Brewery located in downtown; Strand Brewing Company opened its doors in 2010 in an industrial portion located off Lomita and Crenshaw Blvd and hired their first employee in 2012. A couple years later Monkish Brewery followed suit and to round out the 6 breweries, Dudes' and Smog City Brewing and most recently, Absolution also named Torrance "home." According to LA Weekly, "Torrance easily possesses the largest concentration of beer brands in Greater Los Angeles. From Red Car's South Bay IPA to Strand's classic 24th Street Pale Ale, the diverse range of quality craft beer coming out of Torrance has put the South Bay's largest city on the map for suds seekers."

2014 is a year of changes in Torrance as long serving elected officials are stepping down and new faces with new ideas are stepping forward to ask for your vote. As I mentioned earlier, an Ethics Program has been set in motion and I call on all of the Torrance residents to get informed, and make informed decisions. Engaged voters are a foundation of democracy. To promote even more involved voters, we approved the next generation in the City's already active ethic programs. Focused on the upcoming June 3rd municipal elections, the Torrance Votes program will engage the public more robustly in considering their next Mayor, four Council Members, and the City Clerk. Our City Treasurer will likely serve another 4 years since she currently has no opposition.

The City of Torrance has a long history of programs to increase the caliber of public service, such as CORE training for municipal employees and campaign finance reform measures. The most recent Blue Ribbon committee and two previous ethics-related committees provided a forum for the discussion of common ideologies that reflect the expectations of the Torrance community. The tenets of the Ethics Policy for Candidates for Elective Office focus on the goals to be responsible, be honest and trustworthy, be respectful and be transparent.

On April 24th, our City Clerk Sue Herbers was presented the City Clerks Association of California's (CCAC) Award of Distinction for Voter Outreach. This prestigious honor is one of the highest awards offered by the CCAC. The Torrance Votes community voter outreach program promotes the education of the voting public on candidates and local politics while being neutral, impartial and non-partisan. This program respects the right of each voter to their own unique political, ethical and moral ideology.

I urge you all to visit TorranceVotes.org to stay informed on your Torrance Candidates. Remember, the voter registration deadline for the upcoming municipal election is May 19, 2014. The polls are open on Election Day, June 3rd from 7 a.m. to 8 p.m. Read the Candidate Statements, Explore the Candidates and their History, Research their Campaigns. You have one job in Democracy and that is to VOTE!

Another way for you to stay active in our community is to Volunteer! Back in January, The Torrance Rose Float Association, together with Fiesta Parade Floats, created a beautiful float titled "Everyone Plays", which was very warmly received at the 125th Pasadena Tournament of Roses Parade. The float celebrated the 50th anniversary of the American Youth Soccer Organization (AYSO) in its Torrance birthplace and featured former professional soccer star and acclaimed television broadcaster Cobi Jones. The float was primarily funded through two generous donations: \$100,000 from AYSO and \$10,000 from ACE Clearwater Enterprises. This July, we will continue our partnership with AYSO as one of the hosts for the 2014 AYSO National Games. As many of you know, I am a long-time AYSO volunteer. It gives me great pleasure to be able to host their national games in our City. The 2014 National Games is expected to include up to 500 teams for the week-long soccer tournament and festival and will generate an economic impact of as much as \$10 million. We are well on our way in the planning stages and hope that you, our business community, can help us welcome our out of town guests with open arms. If your business is interested in helping make a great first impression to our guests you can contact the Office of Economic Development. If you are an individual and would like to volunteer visit EAYSO.org and click on "I am new to AYSO and want to volunteer."

Volunteerism has been a huge part of what makes Torrance who we are today. We all witnessed our community come together for our Centennial Celebration. In 2013 alone the City had over 3,500 volunteers who donated over 70,000 hours of service delivered to the Torrance community. Volunteers allow the City to increase the efficiency of its internal operations along with enhancing the individual skills of those who volunteer. It is a privilege to honor those service groups and individuals who have given their time, talents, and enthusiasm to make our community a more enjoyable and flourishing environment to live and work. Recently, we presented our two most recent Jared Sidney Torrance Honorees. Individually, both two long-time volunteers of the City, Maureen O'Donnell and Hazel Taniguchi, were honored for their countless amounts of volunteer work and the many positive ways they've impacted Torrance. We are very lucky to have model citizens in our community and take great pride in honoring them.

Volunteerism has become somewhat of a tradition here in Torrance. One of the newest traditions highlights some of Torrance's bravest Volunteers... Our Hometown Heroes. The Hometown Heroes Program highlights our community's veterans, in addition to those currently serving in the Armed Forces. In fact, May 16th -18th we will continue our tradition of heroes with the 55th Annual Armed Forces Day Parade and Celebration. For 55 years, it has been our way of celebrating the Soldiers, Airmen, Marines, Sailors and Coast Guardsmen, for their generosity and selflessness that enables us to live freely in our nation, as they protect the democratic ideals on which our country was founded. In addition, a new tradition emerged. Last year, we witnessed the swearing in of over 500 recruits during our parade. This year, we are expecting a record number of over one thousand future heroes.

Torrance means so many different things to us as individuals. To some, it may mean a "place in passing," on the way to LAX or Disneyland. To others it's that place with that "really big mall."

To me, Torrance is the great place I call my home, my place of work. The City where I started my family and watched it grow. Over the past year, coming out of our great centennial, Torrance has emerged as:

• LA Weekly's Best Beer City 2013!

• We are Number 33 on Livability.com's best places to live

- We are Number 5 in Real Estate Blog, Movoto's Creative Mid-Sized Cities
 We are Number 6 on My Life dot com's Best Mid Sized City for Food Lovers!
- We are 14th on FBI list of Safest Cities!
- We are TORRANCE!

There is a famous saying, "Be the change you want to see in the world." In just one month I will no longer have the honor of being your Mayor. But as I leave office, I also leave a part of me behind too... a part of me that will continue to carry a torch for volunteerism and community involvement. A torch that despite my term ending will still carry light for volunteers past, present and even future. Tonight, I urge you to join me in continuing the volunteerism crusade that makes Torrance what it is today... The City with a Hometown Feel. So as I light my torch, I ask you to make the same pledge to "Give back" to the Community that we rightfully "Took Back," Because we are and always will be... Torrance! Thank you.

